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(54) Title: DERIVATIVE SECURITIES AND SYSTEM FOR TRADING SAME

CSCO			
10-16-2000	CURRENT PRICE: \$56.20	TODAY'S OPEN: \$56.15	YESTERDAY'S CLOSE: \$49.85
EXPIRY	Δ CHANGE	PREMIUM	QUANTITY AVAILABLE
CLOSE 10-16-2000	\$1.25	\$47.00	250
CLOSE 10-16-2000	\$2.25	\$33.00	375
CLOSE 10-16-2000	\$3.00	\$26.00	4000
OPEN 10-17-2000	\$1.00	\$50.00	10
OPEN 10-17-2000	\$1.50	\$42.00	5
OPEN 10-17-2000	\$2.00	\$38.00	760
OPEN 10-17-2000	\$4.00	\$15.00	600
NOON 10-17-2000	\$1.00	\$55.00	72
NOON 10-17-2000	\$2.00	\$42.00	2500
NOON 10-17-2000	\$3.00	\$33.00	600
CLOSE 10-17-2000	\$4.00	\$15.00	23
OPEN 10-18-2000	\$1.00	\$42.00	10
OPEN 10-18-2000	\$1.00	\$6.00	110

510

CALLS

545

PUTS

WRITE DELTA CONTRACTS

BUY DELTA CONTRACTS

(57) Abstract: A derivative security whose value is determined by whether an underlying instrument will trade above or below a given price at or by a given time. The price of the underlying instrument in the inventive instrument must move a certain amount in a certain direction in a limited amount of time. If it does, that trade yields a fixed amount of money for the acceptor of the contract (510, 545). If it does not, that acceptor loses the premium he paid for the contract (510, 545).

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